

C/007/020 Incoming  
cc: Steve A.

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## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Utah State Office  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101-1345  
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:  
3474  
UTU-74804  
(UT-9223)

AUG 06 2013

RECEIVED

AUG 08 2013

DIV. OF OIL, GAS & MINING

CERTIFIED MAIL – Return Receipt Requested  
7004 1350 0004 5277 4386  
7004 1350 0004 5277 4331

### DECISION

Principal:	:	
Hidden Splendor Resources, Inc.	:	Coal Lease
57 West 200 South, Suite 400	:	UTU-74804
Salt Lake City, Utah 84101	:	
	:	
Surety:	:	
Acstar Insurance Company	:	Bond Amount: \$136,000
233 Main Street	:	
New Britain, Connecticut 06050-2350	:	Bond No.: F18931

### Default Determined; Demand Against Surety Bond; Payment Under Bond Required

Pursuant to a memorandum from David L. Denson, Office of Enforcement, Office of Natural Resources Revenue (ONRR), dated July 25, 2013, this office was notified of the following deficiency for Federal coal lease UTU-74804. Hidden Splendor Resources, Inc. is delinquent for unpaid royalties and interest owed in the amount of \$601,266.04. The periods owed are from February 2012 to December 2012. The Office of Natural Resources Revenue has attempted to recover these amounts due by turning the invoices over to the Department of Treasury for collection. Additionally, the Proof of Claim (POC) was filed with the bankruptcy court for collection. Subsequently the bankruptcy court dismissed the bankruptcy case 13-10862 on July 9, 2013.

Because the lessee, Hidden Splendor Resources, Inc. is in default of the terms and conditions of coal lease UTU-74804, payment under all applicable bonds, including the one described below, is required.

<u>Principal</u>	<u>Bond Number</u>	<u>Bond Amount</u>
Hidden Splendor Resources, Inc.	F18931	\$136,000

Payment is to be made to the Bureau of Land Management (BLM), Utah State Office, at the address noted above.

A period of 30 days from the receipt of this decision will be allowed to make the required payment. Failure to do so within the time allowed may result in the initiation of cancellation procedures for the coal lease and/or judicial procedures to secure payment. By copy of this decision, all appropriate offices and parties are being notified of this bond appropriation payment.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842.1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (pursuant to regulation 43 CFR 4.21)(58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay **must** also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

#### Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

If you have further questions, please call Roger Bankert of this office at (801) 539-4037.



Kent Hoffman  
Deputy State Director,  
Division of Lands and Minerals

Enclosure:

1. Form 1842-1

cc: Hidden Splendor Resources Inc., 3266 South 125 West, Price, Utah 84501

Mr. John Baza, Director, UDOGM, Box 145801, Salt Lake City, Utah 84114-5801

Office of the Solicitor, Suite 6201, Federal Building, 125 South State Street, Salt Lake City, Utah 84138

Mr. David L. Denson, Office of Natural Resource Revenue (ONRR), 15109 Heathrow Forest Parkway, Suite 200, Houston, Texas 77032-3887

Mr. John Hovanec, Office of Natural Resource Revenue, P. O. Box 25165, Denver, CO 80225-0165

Ms. LeeAnn Martin, ONRR, ACM, Solid Minerals Staff, , MS62300B, Box 25165, Denver, Colorado 80225-0165

Price Field Office (UTG021)